ADOPTION OF EXISTING ENVIRONMENTAL REVIEW (EA/EIS)

Part I. Proposed Action Description

Applicant/Contact Name & Address: Pinnacle Gas Resources, Inc.

1 E. Alger Street Sheridan, WY 82801

Type of Action: Beneficial Water Use Application 42B 30025008.

To use water produced from CBM production for stock watering.

Location Affected by Action: All sections in Township 8 & 9 South, Range 41 & 42 East of Big

Horn County

Narrative Summary of Proposed Action: Water is produced by coal bed methane production. It is the applicants intent to obtain a water use permit to use that water for stocking watering of 130 animal units.

Part II. Existing Environmental Review Information

Title: Final Statewide Oil and Gas Environmental Impact Statement

Publication Date: January 2003

Lead Agency: Montana DEQ, BOGC & US Bureau of Land Management

Location Where Interested Parties Can View or Obtain the Document:

http://www.deq.mt.gov/CoalBedMethane/finaleis.asp

Part III. Criteria for Adopting Existing Environmental Review

_X_YesNo	Does the existing environmental review cover an action paralleling or closely
	related to the proposed action?
_X_YesNo	Is the information in the existing environmental review accurate and clearly presented?
_X_YesNo	Is the information in the existing environmental review applicable to the action being considered?
_X_YesNo	Were all appropriate Agencies consulted during preparation of the existing environmental review?
_X_YesNo	Were alternatives to the proposed action evaluated as part of the existing environmental review effort?
_X_YesNo	Have all of the impacts of the proposed action been accurately identified as part of the existing environmental review?
_X_YesNo	If the existing environmental review identifies any significant impacts as a result of the proposed action, will they be mitigated below the level of significance?

Part IV. Conclusion

If the answers to ALL of the questions listed above are "Yes", the existing environmental review can be considered sufficient to satisfy DNRC's MEPA review responsibilities.

Name: Tim Lewis

Title: Water Resource Specialist

Date: 01/30/2007